

Message Text

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ORIGIN TRSE-00

INFO OCT-01 ISO-00 AF-10 ARA-10 EA-09 EUR-12 NEA-10
L-03 SIG-02 MMO-04 H-02 IO-13 EB-08 AID-05 OMB-01
COME-00 FRB-01 XMB-04 SS-15 SP-02 NSC-05 CIAE-00
INR-07 NSAE-00 OPIC-06 /130 R

DRAFTED BY TREASURY: D WOLKOW
APPROVED BY EB/IFD/OMA: C C CUNDIFF
EUR/RPE: R GELBARD
ARA/ECP: R TAYLOR (SUBS)
AF/EPS: R DUNCAN (SUBS)
EA/EP: R IMUS, NEA/RA: R PRICKETT
L/C: F KWIA TEK
L/EB: P MICKEY (SUBS)
TREAS: S CANNER
TREAS: J MURPHY
-----150657Z 080962 /23-12

R 141637Z APR 77
FM SECSTATE WASHDC
TO ALL DIPLOMATIC AND CONSULAR POSTS
XMT USLO PEKING
AMEMBASSY TAIPEI
AMEMBASSY VIENTIANE
AMCONSUL ASMARA

UNCLAS STATE 083837

INFORM COUNSULS

E.O. 11652: N/A

TAGS: EFIN

SUBJECT: REPORT TO CONGRESS ON SIGNIFICANT U.S. GOVERN-
MENT CLAIMS AGAINST FOREIGN GOVERNMENTS

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SUMMARY. ALL POSTS ARE REQUESTED TO PROVIDE BY CABLE
THE INFORMATION OUTLINED IN PARAGRAPHS 3 AND 4 BELOW FOR
ALL USG CLAIMS ON FOREIGN GOVERNMENTS IN EXCESS OF FIVE
HUNDRED THOUSAND DOLLARS. END SUMMARY.

1. IN ITS THRITY-SEVENTH REPORT DATED SEPTEMBER 30, 1976,
THE HOUSE COMMITTEE ON GOVERNMENT OPERATIONS RECOMMENDED

THAT A CLAIMS ACCOUNTING SYSTEM WHICH WILL PROVIDE CONGRESS WITH THE DATA IT NEEDS TO EVALUATE COLLECTION PROGRAMS SHOULD BE DEVELOPED AND REFINED. THE EXECUTIVE BRANCH SUBMITTED THE FIRST PRELIMINARY CLAIMS REPORT ON JUNE 3, 1976 AND INFORMED THE COMMITTEE THAT A REGULAR CLAIMS REPORTING REQUIREMENT FOR THE U.S. GOVERNMENT DEPARTMENTS AND AGENCIES WOULD BE ESTABLISHED AND THAT THE NEXT REPORT WOULD BE SUBMITTED IN JUNE 1977.

2. CONGRESSIONAL INTEREST IN THE OBLIGATIONS OF FOREIGN GOVERNMENTS TO THE U.S. IS STRONG. THE CONGRESS RECENTLY PASSED LEGISLATION WHICH WOULD CUT OFF FOREIGN ASSISTANCE

IT APPROPRIATIONS TO COUNTRIES WITH DEBT ARREARAGES OF A CERTAIN DURATION. WE BELIEVE IT IS IMPERATIVE THAT WE BE RESPONSIVE TO CONGRESS, REQUEST FOR SATISFACTORY REPORTING OF U.S. CLAIMS.

. WE WOULD LIKE TO REPORT TO CONGRESS ALONG THE FOLLOWING LINES, IDENTIFY THE FOREIGN GOVERNMENT AGAINST WHICH U.S. GOVERNMENT CLAIMS HAVE ARISEN; THE DATE ON WHICH THEY ARISE; WHETHER THE AMOUNTS INVOLVED ARE SMALL -- ONE HALF MILLION DOLLARS TO FIVE MILLION DOLLARS, MEDIUM -- FIVE MILLION DOLLARS TO TWENTYFIVE MILLION DOLLARS, OR LARGE -- IN EXCESS OF TWENTYFIVE MILLION DOLLARS; A BRIEF DESCRIPTION OF THE ISSUES INVOLVED; AND OUR EFFORTS TO RESOLVE THEM SATISFACTORTLY

. A CLAIM IS AN ASSERTION BY THE USG THAT IT IS OWED
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MONEY OR SOMETHING OF MONETARY VALUE BY A FOREIGN GOVERNMENT OR OFFICIAL MULTINATIONAL ORGANIZATION AND WHICH IS DISPUTED BY THE FOREIGN GOVERNMENT OR MULTINATIONAL ORGANIZATION. AT SUCH TIME AS THE FOREIGN GOVERNMENT AND THE USG AGREE ON A SPECIFIC AMOUNT AND TERMS OF PAYMENT THE CLAIM BECOMES A DEBT. CLAIMS AGAINST PRIVATE FOREIGN PERSONS OR ENTITIES ARE EXCLUDED. ALSO EXCLUDED ARE THE CLAIMS OF PRIVATE U.S. CITIZENS OR ENTITIES AGAINST FOREIGN GOVERNMENTS. IT SHOULD BE NOTED THAT DISPUTED DEBTS WHICH FOR OTHER PURPOSES MIGHT BE CONSIDERED CLAIMS ARE TO BE EXCLUDED FROM THIS REPORT. ALL DEBTS, WHETHER DISPUTED OR NOT, ARE ALREADY REPORTED TO CONGRESS IN A YEARLY DEBT REPORT. INCLUSION OF DISPUTED DEBTS IN THE CLAIMS REPORT WOULD THEREFORE RESULT IN THE POTENTIALLY CONFUSING SITUATION OF DOUBLE REPORTING TO THE CONGRESS.

5. POSTS AGAINST WHOSE HOST GOVERNMENT A CLAIM WAS REPORTED LAST YEAR ARE REQUESTED TO REVIEW AND UPDATE THE RELEVANT SECTION OF THE FIRST REPORT. A COPY OF THE FIRST

REPORT IS BEING SENT TO THE FOLLOWING POSTS FOR THAT PURPOSE: ALGIERS, ATHENS, BONN, CAIRO, DAKAR, KATHMANDU, LIMA, QUITO, TANANARIVE, TEL AVIV, TRIPOLI. ALL POSTS ARE REQUESTED TO IDENTIFY AND DESCRIBE NEW CLAIMS AGAINST THE HOST GOVERNMENT AS WELL AS ANY OTHER CLAIMS WHICH MAY PREDATE THE FIRST REPORT OUT WERE NOT INCLUDED IN IT. DETAILED INSTRUCTIONS AND A STANDARD REPORTING FORM FOLLOW IN PARAGRAPHS 7 AND 8.

6. WE WOULD APPRECIATE YOUR REPLIES BY MAY 1, 1977, SO THAT THE REPORT CAN BE SUBMITTED PROMPTLY TO THE COMMITTEE BY JUNE 1, 1977.

7. INSTRUCTIONS: FOR THE PURPOSES OF THIS REPORT, THE FOLLOWING DEFINITION OF CLAIM SHOULD BE USED: "AN ASSESS-

MENT BY THE USG THAT IT IS OWED MONEY OR SOMETHING OF MONETARY VALUE BY A FOREIGN GOVERNMENT OR OFFICIAL MULTINATIONAL ORGANIZATION AND WHICH IS DISPUTED BY THE FOREIGN GOVERNMENT OR MULTILATERAL ORGANIZATION. THE TERM "FOREIGN GOVERNMENT" IS TO BE INTERPRETED BROADLY TO INCLUDE POLITICAL SUBDIVISIONS, CENTRAL BANKS, AND AUTONOMOUS INSTITUTIONS, SUCH AS CORPORATIONS, DEVELOPMENT BANKS, RAILWAYS, UTILITIES, ETC., WHERE (A) THE BUDGET OF THE INSTITUTION IS SUBJECT TO THE APPROVAL OF THE GOVERNMENT; (B) THE GOVERNMENT OWNS MORE THAN 50 PERCENT OF THE VOTING STOCK OR; (C) MORE THAN HALF OF THE MEMBERS OF THE BOARD OF DIRECTORS ARE GOVERNMENT REPRESENTATIVES. DISPUTES CONCERNING DEBTS SHOULD NOT BE REPORTED AS CLAIMS, BUT RATHER,

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SHOULD CONTINUE TO BE REPORTED AS DEBTS IN ACCORDANCE WITH U.S. TREASURY CHAPTER 4500 REPORTING INSTRUCTIONS. THIS IS TO AVOID DOUBLE-COUNTING IN THE TWO REPORTS TO CONGRESS. SIMILARLY, ASSETS ACQUIRED UNDER GUARANTEE AND INSURANCE PROGRAMS SHOULD NOT BE REPORTED AS CLAIMS, BUT RATHER CONTINUE TO BE REPORTED IN ACCORDANCE WITH U.S. TREASURY CHAPTER 4500 REPORTING INSTRUCTIONS.

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A. A SEPARATE FORM MUST BE FILED FOR EACH CLAIM OF FIVE HUNDRED THOUSAND DOLLARS OR MORE. REPORTING OF CLAIMS FOR LESS THAN FIVE HUNDRED THOUSAND DOLLARS IS NOT REQUIRED.

B. SUBMISSION OF EACH CLAIM REPORT IS REQUIRED ANNUALLY BY MAY 1. EACH CLAIM REPORT SHOULD COVER THE STATUS OF AGENCY RECORDS AS OF MARCH 31 OF EACH YEAR. IF A CLAIM PREVIOUSLY REPORTED HAS BEEN SETTLED, A BRIEF DESCRIPTION OF THE SETTLEMENT SHOULD BE PRESENTED IN ITEM 5. NO FURTHER REPORTING OF SETTLED CLAIMS IS NECESSARY.

8. REPORTING FORM:

REPORT ON SIGNIFICANT UNSETTLED USG CLAIMS AGAINST FOREIGN
GOVERNMENTS

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(SEE INSTRUCTIONSIN PARA 7)

1. FOREIGN GOVERNMENT AGAINST WHICH U.S. GOVERNMENT CLAIM
HAS ARISEN:

2. DATE OF CLAIM:

3. AMOUNT OF CLAIM:

4. BRIEF DESCRIPTION OF NATURE OF CLAIM:

5. BRIEF DESCRIPTION OF U.S. GOVERNMENT ACTIONS TO RESOLVE
THE CLAIM:

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CLAIMS, REPORTS, INSTRUCTIONS, US CONGRESSIONAL PRESENTATIONS, CENTRAL GOVERNMENT
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Copy: SINGLE
Sent Date: 14-Apr-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
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Executive Order: N/A
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Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Classification: n/a
Previous Handling Restrictions: n/a
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Retention: 0
Review Action: RELEASED, APPROVED
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Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2804513
Secure: OPEN
Status: NATIVE
Subject: REPORT TO CONGRESS ON SIGNIFICANT U.S. GOVERN- MENT CLAIMS AGAINST FOREIGN GOVERNMENTS UNCLASSIFIED
TAGS: EFIN, XX
To: ALL POSTS PEKING MULTIPLE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/613123a5-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009